

volume 6, issue 5

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North Dakota

division of economic development & finance

commerce matters

Governor's Choice for Economic Development Awards Call for Nominations

The North Dakota Department of Commerce is seeking nominations for the fifth annual Governor's Choice for Economic Development awards. There are five award categories this year: Professional Developer of the Year, Volunteer Developer of the Year, Project of the Year, Ambassador of the Year and a new one, Innovator of the Year.

As a special addition to the awards, each recipient will receive a \$1,000 check that is to be given to an economic development corporation or association of his/her designation.

Nomination forms can be found on www.growingnd.com. Select Governor's Choice Awards under the quick links section. Winners will be announced at the Dec. 5 awards banquet held in conjunction with the fall/winter meeting of the Economic Development Association of North Dakota at the Seven Seas in Mandan.

Nomination forms must be received at the Department of Commerce no later than Wednesday, Oct. 18. Please contact Pamela Trhlik at 701-328-5371 or ptrhlik@nd.gov for further questions regarding the awards program. •

Killdeer Mountain Manufacturing Expands

Killdeer Mountain Manufacturing (KMM) is in the midst of an expansion in Dickinson as its business continues to grow with major airline manufacturing companies. KMM will move into the building formerly occupied by Runnings Farm & Fleet with a total expansion and renovation cost of \$1.6 million. Funding for the project comes from the North Dakota Development



Killdeer Mountain Manufacturing, headquartered in Killdeer, with locations in Hettinger, Halliday and Dickinson, is expanding in Dickinson and will add 100 employees in two years.

Fund, Roosevelt-Custer Regional Council, Division of Community Services and the North Dakota Bond Bank program through the Bank of North Dakota.

Limited operations will begin in this new location by the end of September and plans are to have the full renovation complete within four months.

Don Hedger started KMM in Killdeer in 1987 and has since expanded the operations to Hettinger, Halliday and Dickinson with more than \$18 million in sales for last year. The company has approximately 275 employees with the expansion expecting to add an additional 100 within the next two years.

KMM provides circuit card assemblies, cable and harness assemblies, and ground test support equipment to companies such as Boeing, Lockheed Martin, Hughes, Raytheon and Northrop Grumann. •





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Alternative Fuels Production Booming in North Dakota

- **Dakota Skies Biodiesel** hosted a groundbreaking Friday, Aug. 18, for its 30-million gallon biodiesel facility in Minot. The \$75 million dollar project will employ approximately 50 people and use North Dakota canola to make the fuel.
- **U.S. BioEnergy Corp** held its groundbreaking for a 100-million gallon U.S. Bio-Hankinson facility, Aug. 25. The plant is expected to cost \$145 million to construct and should employ 45 people with an annual payroll of \$2.4 million. The plant will use 37 million bushels of corn and will produce 320,000 tons of dried distiller's grain annually.
- **Yellowstone Ethanol LLC** plans to build a \$120 million ethanol plant that would produce 50 million gallons of ethanol per year and employ 40 people with an annual payroll of more than \$1.5 million. The plant will use about 20 million bushels of corn, up to 2 million bushels of barley or wheat and produce enough feed for 250,000 cattle each year, organizers said.
- Governor Hoeven announced that **Northwood Mills LLC**, a soybean crushing facility located near Northwood, ND, has been awarded a \$500,000 USDA grant to develop a biodiesel production plant next to their soybean crushing facility.



Construction is progressing on the BlueFlint Ethanol facility near Underwood, ND. This plant is expected to produce 50 million gallons of ethanol annually and will begin production in early 2007.

Commerce Hosting "Experience North Dakota" in Minnesota

A special event "**Experience North Dakota**" is planned for Nov. 18 at the St. Paul Hotel in downtown St. Paul, MN. It will showcase universities, premier businesses in the state that have current job openings, local communities and special cultural opportunities.

The goal of the event is to provide a well-rounded experience of North Dakota that accomplishes three things: enhances the state's positive image, builds a consistent brand for the state and recruits workforce to the state.

North Dakota ambassadors, the Division of Tourism and the Commerce business development team will also play unique roles in the event.

For more information about this event or if your community or business is interested in participating, contact Tracy Finneman at Commerce at 701-328-5352 or tfinneman@nd.gov.

New SBDC Director on Board

Bonita Wikenheiser is the new state Small Business Development Center (SBDC) director, beginning her role Sept. 5. She comes to the position from the University of Mary.

Ron Newman of the Dickinson SBDC office had been the interim director following Christine Martin's departure for a new position as director of the American Indian Business Office within Commerce.

Bonita's office is also located at Commerce, and she can be reached at 701-328-5375.

A big thank you goes out to Ron for balancing the additional work and life as the interim director!

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BUSINESS HOTLINE:
1-866-4DAKOTA
(1-866-432-5682)

State Business Hotline Update

The North Dakota Business Hotline is a toll-free number, 866-4DAKOTA (866-432-5682), to connect people to the storehouse of business information that exists in state government. Commerce launched the Business Hotline in early 2006 and has received 149 business inquiry calls. From the total, 120 calls were handled by Commerce staff, 20 calls were referred to other state agencies and 9 calls were unable to be assisted or referred. Fifty percent of calls came from within North Dakota, another 25 percent were from Minnesota, with the remaining calls coming from 25 other states. •

Business Developers to Attend Strategic Event

Business developers within the Division of Economic Development & Finance will be attending key national events throughout the fall to help promote North Dakota's business climate, advantages and incentives. The first, LiveXchange is scheduled for the week of Oct. 22 in Atlanta, GA.

This event, organized by *Business Facilities* magazine, is a comprehensive conference with key corporate decision makers who decide when and where major expansions will take place. Meetings are planned with business developers and individual companies. Elizabeth Larkin and Laura Willard will represent Commerce at this event. •

Wall Street Journal Article Features North Dakota's Economic Growth and Strength

On Aug. 31 the *Wall Street Journal* ran a prominent feature highlighting North Dakota's economic strengths, growing cities and burgeoning energy industry. The following are excerpts from Joel Klotkin's article *The Great Plains*.

"BISMARCK, N.D. – At a time when the much-celebrated coasts creak from rising interest rates, faltering income levels and soaring energy prices, this windswept, energy-rich city of 57,000 on the western edge of the Dakota plains is experiencing the best of times. Cities like this one out in the far-off hinterland – Iowa City, Sioux Falls, Fargo, Grand Forks, Rapid City – now are enjoying job growth rates that, if they don't rival Las Vegas, certainly put to shame those of most major metropolitan areas. Unemployment is negligible and wages are rising across virtually all job categories.

Over the past five years, the fastest growth in per capita income has taken place in energy-rich Wyoming, Montana, North Dakota, New Mexico and West Virginia, while highly urbanized places like California, New York, Michigan and Illinois gather dust at the bottom of the pack. Tax revenues in these once hard-pressed states are also soaring; North Dakota's surplus is now estimated at \$527 million, representing more than a quarter of the state's \$2 billion annual budget.

...Fargo-Moorhead, the pair of cities straddling the Red River, (the boundary between North Dakota and Minnesota), is a thriving metropolis of slightly less than 200,000 that grew by over 20 percent between 1990 and 2000 and has added an additional 4,300 people over the past five years. One in five newcomers was an immigrant. Bismarck has seen a similar surge in population, growing by 3 percent over the past five years." •



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APUC Provides Funds for Ten Projects

The North Dakota Agricultural Products Utilization Commission (APUC) funded requests for ten projects totaling \$183,065 at its quarterly meeting in Medora, July 27. The grants went to the following:

- North Dakota Corn Utilization Council, Fargo, was awarded \$20,000.
- NDSU Department of Plant Sciences, Fargo, was awarded \$25,000.
- NDSU Carrington Research Extension Center, Carrington, was awarded \$20,795.
- Safflower Technology, Williston, was awarded \$20,000.
- Highway 281 Livestock Development Corridor, Carrington, was awarded \$7,590.
- Falkirk Merchandising, LLC, Bismarck, was awarded \$23,300.
- Dakota Pride Cooperative, Jamestown, was awarded \$23,000.
- Western Dakota Meat Processors Marketing Alliance, Williston, was awarded \$31,000.
- NPMI, Inc, New Rockford, was awarded \$10,000.
- Black Butte Adventures, Velva, was awarded \$2,380.

The grants can be used for basic and applied research, marketing and cooperative marketing utilization, farm diversification, nature-based agri-tourism, technology, agricultural prototype and technical assistance. •

ND Trade Office Records Solid Results

In 2005, North Dakota exported about \$3 billion in goods to more than 127 foreign countries. According to Moody's Economy.com, "ND exports surged the first quarter of 2005. The state is reaping awards of a concerted effort by the state's Office of Trade. In less than two years manufacturing exports have risen more than 80 percent from \$183 million to \$333 million, on a quarterly basis."

Economic indicators show revenue generated from trade missions is at \$35.77 million and state tax generated by the North Dakota Trade Office is at \$1.6 million. The 24 businesses the Trade Office works closely with have shown increased exports at \$29.83 million and state tax revenues generated by the Trade Office at \$1.04 million. •



Representatives from Taiwan were special guests of a reception organized by the North Dakota Trade Office, and cosponsored by the Lt. Governor's office and the North Dakota Department of Commerce. Pictured from L to R: Consular Officer Allison Chao, Director-General Jack Chen, ND Trade Office Executive Director Susan Gieb, Ambassador David Tawei Lee, ND Trade Office Development Director Cherie Harms and Lt. Governor Jack Dalrymple. The visit followed the June trip of 29 North Dakotans to Taiwan. Lt. Dalrymple led the group which represented 14 North Dakota businesses and higher education institutions.

New Professionals Orientation Planned Nov. 2

Each quarter the Department of Commerce hosts an all-day educational/orientation session for new professionals in jobs focused on economic development, rural development or community growth throughout the state. Thursday, Nov. 2, is the next planned session. If you have someone new on your staff or know of a new volunteer developer or even someone in a prominent position within your community who would benefit, e-mail Pamela Trhlik at ptrhlik@nd.gov or call her at 701-328-5371. •